

107TH CONGRESS
1ST SESSION

H. R. 2081

To amend the Agricultural Market Transition Act to convert the price support program for sugarcane and sugar beets into a system of solely recourse loans, to gradually reduce the level of price support available for sugarcane and sugar beets, and to eliminate the program after the 2004 crops of sugarcane and sugar beets.

IN THE HOUSE OF REPRESENTATIVES

JUNE 6, 2001

Mr. MILLER of Florida (for himself, Mr. GEORGE MILLER of California, Mr. DAVIS of Illinois, Mr. FRANK, Mr. CHABOT, Mr. GOSS, Mr. KOLBE, Mr. SHAYS, Mr. KIRK, Mrs. NORTHUP, Ms. BALDWIN, Mr. BASS, Mr. ROYCE, Mr. ENGLISH, Mr. PORTMAN, Mrs. BIGGERT, Mr. CAPUANO, Mr. ALLEN, Mr. SMITH of New Jersey, Mr. LoBIONDO, Mr. RAMSTAD, Mr. WAMP, Mr. FERGUSON, Mr. HOLT, Mr. CLAY, Mr. FRELINGHUYSEN, Mr. BLAGOJEVICH, Mrs. LOWEY, Mrs. ROUKEMA, Mr. SUNUNU, Mr. SENSENBRENNER, Mr. FLAKE, Mr. SCARBOROUGH, Mr. BLUMENAUER, Mr. SOUDER, Mr. BERMAN, Mr. BARRETT of Wisconsin, Mr. HORN, Mr. BORSKI, Mr. SHAW, Mr. MEEHAN, Mr. GEKAS, Mr. BRADY of Pennsylvania, Ms. SCHAKOWSKY, Mr. CRANE, Mr. LIPINSKI, Mr. HUTCHINSON, Mr. TOOMEY, Mr. RYAN of Wisconsin, and Mr. RUSH) introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To amend the Agricultural Market Transition Act to convert the price support program for sugarcane and sugar beets into a system of solely recourse loans, to gradually reduce the level of price support available for sugarcane and sugar beets, and to eliminate the program after the 2004 crops of sugarcane and sugar beets.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Sugar Program Re-
 5 form Act”.

6 **SEC. 2. RECOURSE LOANS FOR PROCESSORS OF SUGAR-**
 7 **CANE AND SUGAR BEETS AND REDUCTION IN**
 8 **LOAN RATES.**

9 (a) GRADUAL REDUCTION IN LOAN RATES.—

10 (1) SUGARCANE PROCESSOR LOANS.—Sub-
 11 section (a) of section 156 of the Agricultural Market
 12 Transition Act (7 U.S.C. 7272) is amended by strik-
 13 ing “equal to 18 cents per pound for raw cane
 14 sugar.” and inserting the following: “, per pound for
 15 raw cane sugar, equal to the following:

16 “(1) In the case of raw cane sugar processed
 17 from the 1996 through 2000 crops, \$0.18.

18 “(2) In the case of raw cane sugar processed
 19 from the 2001 crop, \$0.17.

20 “(3) In the case of raw cane sugar processed
 21 from the 2002 crop, \$0.16.

22 “(4) In the case of raw cane sugar processed
 23 from the 2003 crop, \$0.15.

24 “(5) In the case of raw cane sugar processed
 25 from the 2004 crop, \$0.14.”.

1 (2) SUGAR BEET PROCESSOR LOANS.—Sub-
 2 section (b) of such section is amended by striking
 3 “equal to 22.9 cents per pound for refined beet
 4 sugar.” and inserting the following: “, per pound of
 5 refined beet sugar, that reflects—

6 “(1) an amount that bears the same relation to
 7 the loan rate in effect under subsection (a) for a
 8 crop as the weighted average of producer returns for
 9 sugar beets bears to the weighted average of pro-
 10 ducer returns for sugarcane, expressed on a cents
 11 per pound basis for refined beet sugar and raw cane
 12 sugar, for the most recent five-year period for which
 13 data are available; plus

14 “(2) an amount that covers sugar beet proc-
 15 essor fixed marketing expenses.”.

16 (b) CONVERSION TO RECOURSE LOANS.—Subsection
 17 (e) of such section is amended to read as follows:

18 “(1) RECOURSE LOANS.—The Secretary shall
 19 carry out this section only through the use of non-
 20 recourse loans.

21 “(2) NATIONAL LOAN RATES.—Recourse loans
 22 under this section shall be made available at all loca-
 23 tions nationally at the rates specified in this section,
 24 without adjustment to provide regional differen-
 25 tials.”.

1 (c) TERMINATION OF PRICE SUPPORT PROGRAM.—

2 Such section is further amended—

3 (1) by redesignating subsection (i) as subsection
4 (j);

5 (2) by inserting after subsection (h) the fol-
6 lowing new subsection:

7 “(i) CONVERSION TO PRIVATE SECTOR FINANC-
8 ING.—Notwithstanding any other provision of law, no
9 processor of the 2005 or subsequent crops of sugarcane
10 or sugar beets shall be eligible for loans under this section
11 with respect to such crops, and the Secretary of Agri-
12 culture may not make price support available, whether in
13 the form of loans, payments, purchases, or other oper-
14 ations, for the 2005 and subsequent crops of sugar beets
15 and sugarcane by using the funds of the Commodity Cred-
16 it Corporation or other funds available to the Secretary.”;
17 and

18 (3) in subsection (j), as redesignated by para-
19 graph (1)—

20 (A) by striking “subsection (f)” and insert-
21 ing “subsections (f) and (i)”; and

22 (B) by striking “2002” and inserting
23 “2004”.

24 (d) TERMINATION OF MARKETING QUOTAS AND AL-
25 LOTMENTS.—

1 (1) TERMINATION.—Part VII of subtitle B of
2 title III of the Agricultural Adjustment Act of 1938
3 (7 U.S.C. 1359aa–1359jj) is repealed.

4 (2) CONFORMING AMENDMENT.—Section
5 344(f)(2) of such Act (7 U.S.C. 1344(f)(2)) is
6 amended by striking “sugar cane for sugar, sugar
7 beets for sugar,”.

8 (e) OTHER CONFORMING AMENDMENTS.—

9 (1) ELIMINATION OF PRICE SUPPORT UNDER
10 NONBASIC AGRICULTURAL COMMODITIES AUTHOR-
11 ITY.—The Agricultural Act of 1949 is amended—

12 (A) in section 201(a) (7 U.S.C. 1446(a)),
13 by striking “milk, sugar beets, and sugarcane”
14 and inserting “, and milk”; and

15 (B) in section 301 (7 U.S.C. 1447), by in-
16 serting “(other than sugarcane and sugar
17 beets)” after “title II”.

18 (2) POWERS OF COMMODITY CREDIT CORPORA-
19 TION.—Section 5(a) of the Commodity Credit Cor-
20 poration Charter Act (15 U.S.C. 714c(a)) is amend-
21 ed by inserting “(except for sugarcane and sugar
22 beets of the 2005 and subsequent crops)” after “ag-
23 ricultural commodities”.

24 (3) SECTION 32 ACTIVITIES.—The second sen-
25 tence of the first paragraph of section 32 of the Act

1 of August 24, 1935 (7 U.S.C. 612c), is amended by
2 inserting “(other than sugarcane and sugar beets)”
3 after “commodity” the last place it appears.

4 (f) ASSURANCE OF ADEQUATE SUPPLIES OF
5 SUGAR.—Subsection (a) of section 902 of the Food Secu-
6 rity Act of 1985 (Public Law 99–198; 7 U.S.C. 1446g
7 note) is amended to read as follows:

8 “(a) Beginning with the quota year for sugar imports
9 which begins after the 2000/2001 quota year, the Presi-
10 dent shall use all authorities available to the President as
11 may be necessary to enable the Secretary of Agriculture
12 to ensure that adequate supplies of raw cane sugar are
13 made available to the United States market at prices no
14 greater than the higher of—

15 “(1) the world sugar price (adjusted to a deliv-
16 ered basis); or

17 “(2) the raw cane sugar loan rate in effect
18 under section 156 of the Agricultural Market Tran-
19 sition Act (7 U.S.C. 7272), plus interest.”.

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